

27 MAY 1968

MEMORANDUM FOR: Chief, Support Services Staff

SUBJECT : User Specifications/Procurement Subsystem

REFERENCE : Memo dtd 18 Apr 68 to DD/L fr C/SSS, same subject

1. This Office agrees in the principles of the proposed Procurement Subsystem but feels that there are some areas where additional definition of data and identification of input responsibilities would be appropriate. The following general comments relate to the more detailed discussions in which Messrs.

took part on 13 and 14 May 1968:

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a. Although Procurement Division, OL, deals in a small percentage of formal bids and suggested, in discussion, that data elements concerned with Invitations, Bids, and Proposals be deleted from the system, the position of this Office is that such data could be valuable to other Agency contracting units and recommends that provisions for it be retained.

b. The details of a vendor-performance evaluation system cannot be developed in time to include them in this memorandum of reply. This Office will take the necessary steps to see that such an evaluation system is developed, however, and provide you with the details at the earliest possible date.

c. The details of a system module to control Government-furnished equipment need additional time for development in order to determine the responsibilities, data requirements, and desired extent of management control. When the specifications for such a system module are developed, they will be coordinated with your representatives.

d. In accordance with the discussions among your representatives and representatives of Procurement Division, OL, this Office recommends the addition of those data elements necessary to provide a means of analyzing the effectiveness of incentives in those contracts where they have been included.

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e. The responsibility and methods for the input of Progress Report data need to be established. This Office appreciates the importance of the information but feels that responsibility for its input should be placed on the technical officers concerned.

f. Discussion disclosed that requirements for data concerned with Burden and Fee were placed by the Industrial Contract Audit Division (ICAD/OF). It is requested that your Staff obtain a more detailed identification of ICAD data requirements so that the more appropriate point of data input can be determined.

g. Contractor name and address input is another area in which methods have not been determined conclusively. Since there is a corporate address, security address, and billing address involved, your representatives kindly offered to do some additional research on the subject and to explore the possibility of using an address code to reduce the character-volume of input. This Office is interested in discussing this question in depth when you are prepared to do so.

h. This Office recognizes that existing outputs will need to be refined and restructured and that additional outputs will be possible and appropriate in view of the expanded data base and increased data processing capability. The proposed form entitled "Request to Procurement for Materiel or Services" also requires closer study. Although your representatives have advised that these decisions are not needed as part of our initial reply to the reference, we intend to press for decisions in these areas as rapidly as possible.

2. With regard to paragraph 6 of the reference, we have developed a Procurement Action numbering system which is a flexible and meaningful one, but slightly different from any which has been proposed so far. Basically, the Procurement Action number consists of ten positions, with eight additional positions provided to identify supplemental actions. The proposed system is outlined below:

PROCUREMENT ACTION NUMBERS

<u>Position</u>	<u>Data Identifier</u>
1	Security Classification Code (an alphabetic code indicating the security status of the contractor and, perhaps, the classification of the contract).
2 and 3	Fiscal year of action.

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PROCUREMENT ACTION NUMBERS

<u>Position</u>	<u>Data Identifier</u>
4	Procurement Unit Code (alphabetic code to identify the Procurement Unit initiating the basic action).
5, 6, 7, 8, and 9	Procurement Action Serial Number (to be assigned by each Procurement Unit according to its own internal requirements and policies).
10	Type of Procurement Action (an alphabetic code to identify the primary types of procurement documentation).

SUPPLEMENTAL ACTION NUMBERS

11	Procurement Unit Code (to identify the Procurement Unit initiating a supplemental action. This Unit might, or might not, be the same as the initiator of the basic action identified in Column 4).
12 and 13	Task Order Serial Number.
14, 15, and 16	Work Order or Delivery Order Serial Number.
17 and 18	Amendment Serial Number.

The Type of Procurement Action (Position 10 code), currently identified as primary types of procurement documentation, and their alphabetic codes are listed below. The precise identification of these types of documentation is subject to revision, but the alphabetic nature of the code will remain unchanged.

- A - Agreements, including Basic Agreements, Basic Ordering Agreements, and Blanket Purchase Agreements.**
- B - Invitation for Bid.**
- C - Contracts, including Letter Contracts, contracts incorporating Basic Agreements, and contracts providing subsequent provisioning but excluding Indefinite Delivery Type Contracts.**

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D - Indefinite Delivery Type Contracts.

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F -

G - Grant.

I - Imprest Fund Action.

L - Lease Agreement.

M - Purchase Order (Open Market).

N - Notice of Intent to Purchase.

Q - Request for Quotation.

R - Request for Proposal.

S - Sales Contract.

T - Annual Services Contract.

U - Facilities Contract.

The Procurement Units (Positions 4 and 11 code), currently identified as participants in this subsystem, and their alphabetic codes are listed below. The precise identification of the units is subject to revision, but the alphabetic nature of the code will remain unchanged.

A - Contract Administration Section, PD/OL

B - Covert Procurement Branch, PD/OL

D - Central Depot (SPU), SD/OL

E - Contracting Team, DD/S&T

F - Contract Settlement Section, PD/OL

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G - General Procurement Section, PD/OL

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I - Industrial Contract Section, PD/OL

[REDACTED] SD/OL

N - Procurement Officer, NPIC

P - Contracting Team, DD/P

R - Research and Development Contract Section, PD/OL

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[REDACTED] SD/OL

T - Interdepartmental Support Section, SD/OL

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[REDACTED] Procurement Office, PD/OL

The 18 positions, zero-filled where necessary, will make up the Control Number for computer processing.

3. Future meetings concerning this subsystem should be coordinated with

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Signed: [REDACTED]

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for
George E. Meloon
Director of Logistics

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OL/PS/P&LB: [REDACTED] (23 May 68)

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